

Supplementary accident insurance (UVGZ)

General Conditions of Insurance (GCI)

Version 2017-1

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1. Basis for insurance cover

1.1. Insurer

The insurer is Elips Versicherungen AG, Triesen, Liechtenstein, hereinafter referred to as “elipsLife”.

1.2. Basis for the contract

The contract is based on all the statements in writing provided on the application form by the policyholder, insured persons and their representatives and any additional documents and medical reports included in the application. The rights and obligations of the parties are set out in the insurance policy, any supplemental documentation thereto, the General Conditions of Insurance (GCI), Supplementary Conditions and Special Conditions. Any issue not specifically addressed in the aforementioned documents will be governed by the Swiss Insurance Policies Act (*Versicherungsvertragsgesetz, VVG*). For ease of reading, this document refers to Swiss legislation and implementing ordinances (*Unfallversicherungsgesetz, UVG, Swiss Accident Insurance Act; Verordnung über die Unfallversicherung, UVV, Swiss Accident Insurance Ordinance*). The equivalent Liechtenstein legislation and implementing ordinances (*Unfallversicherungsgesetz, UVersG, Liechtenstein Accident Insurance Act; Unfallversicherungsverordnung, UVersV, Liechtenstein Accident Insurance Ordinance*) apply to policyholders based in Liechtenstein.

1.3. Subject of insurance

elipsLife shall provide insurance cover against the financial consequences of accidents and occupational illnesses to the extent of the benefits agreed.

1.4. Insured accidents and occupational illnesses

The insurance covers occupational and non-occupational accidents, including occupational illnesses, which arise or are caused during the supplementary insurance term and for which benefits are paid out under the UVG accident insurance scheme. Accidents occurring during Swiss military service or other activities falling under Swiss military insurance (MV) are also covered. Such accidents are deemed to be non-occupational accidents for the purposes of the UVG.

1.5. Insured persons

The insurance covers individuals or groups of persons, as indicated in the insurance policy. Temporary agency workers supplied to the policyholder by a third party are not covered under this supplementary insurance.

1.6. Geographical scope

The insurance is valid worldwide.

1.7. Gender clause

elipsLife is committed to the principle of equality between men and women. Except where the context otherwise requires, words denoting any gender in this document include all genders.

2. Insurance benefits

2.1. Treatment costs

In the event that treatment costs are also covered, elipsLife shall meet the following costs (clauses 2.1.1. to 2.1.4.) which are recognised, but not covered, under the UVG and the Swiss Federal Act on Military Insurance (*Bundesgesetz über die Militärversicherung, MVG*).

2.1.1. Treatment

elipsLife shall pay the cost of medical care or medically prescribed treatment, which is required in Switzerland, Liechtenstein and abroad and is performed by a service provider under Article 10 UVG or Article 10 UVersG, and the cost of confinement as an inpatient on a semi-private or private ward of a hospital or rehabilitation clinic in Switzerland, Liechtenstein or abroad.

The following applies to treatment abroad: if the insured person is deemed to be medically fit for travel, elipsLife shall decide whether to pay the cost of treatment in Switzerland, Liechtenstein or abroad.

2.1.2. Property damage

elipsLife shall pay the cost of accidental damage to prostheses or apparatus that replace a bodily function. The insured person is only entitled to replacement glasses, contact lenses, hearing aids and dentures if he suffered a physical injury that requires medical treatment. The cost of repairing or replacing the aforementioned items (value as new) may be covered.

2.1.3. Cost of travel, transport and rescue

If the insured person suffers an accident abroad requiring hospitalisation, which is likely to delay his return to Switzerland or Liechtenstein by 14 days or more, the individual concerned may arrange to be transferred to a hospital in Switzerland or Liechtenstein at the expense of elipsLife. In such event, elipsLife shall pay up to CHF 20,000 of the costs of such transport as is reasonable in the circumstances, i.e. based on the type of injury and any medical measures that may have been initiated. Where transportation is required as a result of the accident, and travel costs are saved or reimbursed because rail, flight or ferry tickets are not used, such savings or reimbursements will be offset against the benefits payable by elipsLife.

2.1.4. Transportation of mortal remains

In the event of the death of the insured person due to an accident, elipsLife shall pay up to CHF 20,000 of any necessary costs incurred in transporting the deceased to the place of burial (including the costs associated with any official cross-border formalities). The payment will be made to any person or entity that provides evidence of having paid these costs. elipsLife will pay the travel expenses of a single family member accompanying the mortal remains (first-class train ticket, economy flight).

2.1.5. Benefits from third parties

Where the insured person is also entitled to mandatory accident insurance (UVG), disability insurance (IV), Swiss military insurance (MV) or any other insurance benefits, or where a liable third party has paid out such benefits, any additional benefits paid out by elipsLife will not exceed the cost of treatment incurred (indemnity insurance).

2.1.6. Living expenses for periods spent in treatment centres

The insurance shall pay out a sum to cover any living expenses deducted from daily benefit by the UVG insurance scheme during periods spent at a treatment centre.

2.1.7. Value and duration of benefits

elipsLife shall pay treatment costs for a period of five years from the date of the accident, without any limitation as to amount.

2.2. Daily hospital benefit

In addition to any insured daily benefit and treatment costs, elipsLife shall pay any daily hospital benefit agreed for the duration of any medically prescribed confinement in a hospital or rehabilitation facility, subject to a maximum period of 730 days, within five years of the date of the accident.

Benefits from other insurers and liable third parties will not be offset against this amount (fixed sum insurance).

2.3. Daily benefit

2.3.1. Benefit period

elipsLife shall, within five years of the date of the accident, pay daily benefit on a per-accident basis for a maximum of 730 days, but in any event until the date on which any disability benefit due is paid under the provisions governing disability at the latest (see clause 2.4.). Entitlement to daily benefits will cease once the insured person is fully able to resume work as attested by a medical certificate, on payment of any disability capital or disability annuity, or upon the death of the insured person.

2.3.2. Eligibility and waiting period

Payment of daily benefits will commence on the first day on which the insured person is unable to work, as established by a doctor, but no earlier than three days prior to the date on which medical treatment is first administered. No benefits will be payable for the actual date of the accident or during the waiting period stipulated. The waiting period will commence on the date on which the insured person is certified by a doctor as unable for work, but no earlier than the date following the accident. For the purposes of determining the waiting period, any days of partial incapacity for work will be treated as whole days. The waiting period will be offset against the maximum benefit period of 730 days within five years. In the event of partial incapacity for work, the amount of daily benefit payable will be based on the degree of incapacity. The payment of daily benefit is conditional upon a minimum level of incapacity of 25 per cent.

Benefits from other insurers and liable third parties will be offset against this amount (indemnity insurance).

2.3.3. Daily benefit during unpaid leave

There is no entitlement to daily benefit payments during leave periods once the follow-up coverage has lapsed. If the insured person has an accident while on unpaid leave (no more than 180 days after the period for follow-up coverage has elapsed under clause 5.2.), the number of days between the onset of incapacity to work and the date on which he is scheduled to return to work will be offset against the waiting period and benefit period.

2.4. Disability

No assessment of eligibility for disability benefits will be undertaken until there is no further expectation that continued medical treatment will result in a clear improvement of the insured person's health. If, within a period of five years, the accident results in a medical-theoretical disability, which is presumed to be permanent, elipsLife shall pay a lump-sum disability benefit based on the degree of disability, the agreed sum insured and the benefit options selected.

Benefits from other insurers and liable third parties will not be offset against this amount (fixed sum insurance).

Any medical-theoretical disability will be systematically determined by the doctor in charge on the basis of the principles set out in clause 2.4.1. Any incapacity to work or undertake gainful employment resulting from the incident will not be taken into account. The insured person is solely entitled to a disability capital (IV lump-sum settlement). Any entitlement to an IV lump-sum settlement will cease upon the death of the insured person.

2.4.1. Quantifying the degree of disability

- a) The degree of disability (IV level) will be quantified in accordance with appendix 3 to the UVV and appendix 4 to the UVersV and incremental tables 1 to 22 published by Suva. In the event of the partial loss, or partial impairment of function, of a part of the body, a correspondingly lower degree of disability will apply.
- b) In the event of the simultaneous loss, or simultaneous impairment of function, of several parts of the body, the degree of disability will generally be determined by adding up the various percentages, but may not exceed 100 per cent.
- c) In the event of any pre-existing full or partial loss, or impairment of function, of any or all of the body parts, bodily functions or psychological and mental functions affected by an accident, which result from an illness, congenital condition or other accidents prior to the accident in question, the pre-existing percentage of disability, as quantified on the basis of the aforementioned principles, will be deducted for the purpose of establishing the overall degree of disability. If any condition resulting from the accident is aggravated by such simultaneously occurring factors unrelated to the accident, a proportional reduction will be made.
- d) Any changes in the percentage of disability occurring after the degree of disability has been established, including, but not limited to, relapses and sequelae, will be immaterial.

2.4.2. Quantification of disability lump sum

Unless a progression has been agreed, the disability lump sum will be determined on the basis of the degree of disability and the sum insured, using a factor of 1. If a progression has been agreed, the factor, and therefore the disability lump sum, will be determined either on the basis of benefit option A or benefit option B. In the case of 100 per cent disability, option A provides a progression of 225 per cent and option B 350 per cent:

Degree of disability	Option A	Option B
IV level ≤ 25%	1 × IV level	1 × IV level
IV level > 25% ≤ 50%	2 × IV level	3 × IV level
IV level > 50%	3 × IV level	5 × IV level

With an IV level of 70% under option A, the factor would be 135% (25% * 1 + 25% * 2 + 20% * 3).

The percentage of benefit for the disability sum insured is therefore calculated as follows:

IV level	Option A	Option B	IV level	Option A	Option B
25%	25%	25%	63%	114%	165%
26%	27%	28%	64%	117%	170%
27%	29%	31%	65%	120%	175%
28%	31%	34%	66%	123%	180%
29%	33%	37%	67%	126%	185%
30%	35%	40%	68%	129%	190%
31%	37%	43%	69%	132%	195%
32%	39%	46%	70%	135%	200%
33%	41%	49%	71%	138%	205%
34%	43%	52%	72%	141%	210%
35%	45%	53%	73%	144%	215%
36%	47%	58%	74%	147%	220%
37%	49%	61%	75%	150%	225%
38%	51%	64%	76%	153%	230%
39%	53%	67%	77%	156%	235%
40%	55%	70%	78%	159%	240%
41%	57%	73%	79%	162%	245%
42%	59%	76%	80%	165%	250%
43%	61%	79%	81%	168%	255%
44%	63%	82%	82%	171%	260%
45%	65%	85%	83%	174%	265%
46%	67%	88%	84%	177%	270%
47%	69%	91%	85%	180%	275%
48%	71%	94%	86%	183%	280%
49%	73%	97%	87%	186%	285%
50%	75%	100%	88%	189%	290%
51%	78%	105%	89%	192%	295%
52%	81%	110%	90%	195%	300%
53%	84%	115%	91%	198%	305%
54%	87%	120%	92%	201%	310%
55%	90%	125%	93%	204%	315%
56%	93%	130%	94%	207%	320%
57%	96%	135%	95%	210%	325%
58%	99%	140%	96%	213%	330%
59%	102%	145%	97%	216%	335%
60%	105%	150%	98%	219%	340%
61%	108%	155%	99%	222%	345%
62%	111%	160%	100%	225%	350%

2.4.3. Integrity allowance

elipsLife shall pay out the following in respect of any permanent, serious disfigurement of the human body, which is caused by an accident (aesthetic injury, e.g. scars) and for which no disability lump sum is payable, but which, nevertheless, creates difficulties for the insured person in terms of his social standing:

- a) ten per cent of the disability sum insured, as stipulated in the insurance policy (excluding progression) in the case of facial disfigurement; and/or
- b) five per cent in the case of disfigurement of other parts of the body that are normally visible.

The benefit for aesthetic injury is limited to CHF 20,000.

2.4.4. Payouts in the form of a pension

If the insured person is aged 65 or above at the time of determining the degree of disability, the benefit payable in respect of any permanent disability, as described in the foregoing provisions, will be paid in the form of a lifetime pension. The level of pension established will be definitive (age at the time that the IV decision is made is determinative) and will be payable in advance on a quarterly basis. The insured person is the sole claimant of such pension.

Age at time of decision	Annual pension per CHF 1,000
66	CHF 68
67	CHF 71
68	CHF 74
69	CHF 77
70 and above	CHF 80

2.4.5. Cost of retraining in the case of occupational illnesses

elipsLife shall, in addition to UVG and IV cover, pay the reasonable costs of any retraining that may be required in relation to an occupational illness for which the UVG insurance scheme has paid out benefits, subject to a maximum of 10 per cent of the disability sum insured (excluding progression).

2.5. Death

If the insured person dies as a result of an accident within a period of five years, elipsLife shall pay out the sum insured in respect of death, less any disability allowance previously paid in respect of the same accident. If the person who suffered the accident is under 16 or over the age of 65, the maximum death benefit payable will be CHF 20,000. The insured person may vary the following provisions by notifying elipsLife in writing of any beneficiaries he wishes to designate or exclude. The insured person may revoke or amend such notification at any time by advising elipsLife in writing. In the absence of any specific designation, the following are deemed to be the sole beneficiaries in the following order of priority:

- a) Spouse or registered partner
- b) Children
- c) Parents in equal shares

In the absence of any rightful claimants, elipsLife shall solely pay out funeral costs, which may not exceed 10 per cent of the sum insured in respect of death, or a maximum of CHF 10,000. Surviving dependants of an insured person, who are eligible for benefits, will receive the benefits even if they renounce their inheritance. Such benefits do not form part of the deceased's estate.

Benefits from other insurers and liable third parties will not be offset against such amounts (fixed sum insurance). Any disability lump sum previously paid out in respect of the same accident will be deducted from any lump-sum death benefit.

2.6. Pension benefits

Pension benefits, to the extent of any salary surpluses, may be covered in addition to or in lieu of the lump-sum cover referred to in clauses 2.4. and 2.5. Any benefits due will be payable once it has been established that a disability is likely to be permanent (commencement of pension in accordance with UVG) and any daily benefit payments from the UVG insurance scheme have been discontinued. The purchase of pensions will be governed by the provisions of the UVG. No cost-of-living adjustment will be made to pensions. The maximum insurable earnings in respect of pension benefits may, under Special Conditions, be increased from CHF 250,000 to a maximum of CHF 300,000 (less UVG salary under clause 3.1.1.).

Benefits from other insurers and liable third parties will be offset against this amount (indemnity insurance).

2.6.1. Survivor's pensions based on surplus salaries

In the event of death, elipsLife shall pay the survivor's pensions agreed. The survivor's pension is equal to the following percentages of insured surplus salary:

- a) For widows and widowers: 40 per cent
- b) For half-orphans: 15 per cent
- c) For full orphans: 25 per cent
- d) For more than one survivor jointly: a maximum of 70 per cent

Survivors' pensions will be paid for the same time period as pensions under the UVG. Divorced spouses are not eligible to a survivor's pension.

The provisions governing complementary pension do not apply.

2.6.2. Disability pensions based on surplus salaries

In the event of full disability, elipsLife shall pay the disability pension agreed under clause 2.4.1.(a) and a lower amount in the event of partial disability, depending on the IV level. Disability pensions will be paid for the same time period as pensions under the UVG. Except as otherwise provided herein, the provisions of the UVG, excluding the provisions governing complementary pension, apply.

2.7. Insurance cover for continued payment of salary in the event of death

In the event of an employee dying as a consequence of an insured accident, leaving behind a spouse or underage children, or, in the absence of such, any other persons for whom he has a duty of care, elipsLife shall disburse a statutory continued salary on behalf of the policyholder pursuant to Article 338(2) of the Swiss Code of Obligations or Article 1173a of the Liechtenstein Civil Code Article 58(2). elipsLife will not offset any insurance and pension benefits, which may be due to surviving dependants of the deceased employee, against such continued salary payment. Any obligation on the part of the policyholder to continue paying salary for a longer period of time than that prescribed by law will be disregarded. The aforementioned benefits will only be paid if daily benefit and/or death benefit are covered under this contract.

2.8. Special risks

Where the insurance cover includes special risks, any insurance benefits which have been reduced or denied under the UVG and Swiss military insurance (MV) schemes in respect of accidents attributable to gross negligence or hazardous activities, will be paid (unless the accident was caused deliberately). Moreover, elipsLife will not reduce or deny benefits under the supplementary contract in respect of accidents attributable to hazardous activities (unless the accident was caused deliberately).

Any such benefits payable by a liable third party or its insurer will be deducted in full from the benefits payable by elipsLife. Where pension benefits are payable, elipsLife reserves the right to discharge its obligation to provide a pension by means of a lump-sum settlement. elipsLife is entitled to make a lump-sum payment both upon commencement of the pension payout or at any time while the pension is in payment. Any lump-sum settlement will be calculated in accordance with Suva guidelines (year-end capitalisation of pensions).

3. Insurance options

3.1. Salary system

The insurance cover may be aligned to the salary system, allowing premiums and cash benefits to be calculated on the basis of salary and insured earnings.

3.1.1. UVG salary

Benefits are quantified on the basis of the salary disclosed to elipsLife. The UVG salary is deemed to be the insured earnings under Article 22 UVV, subject to the maximum amount prescribed by law.

3.1.2. Surplus salary

Surplus salary is deemed to be any salary component exceeding the UVG maximum. The maximum insurable surplus salary per person per year is calculated as the difference between CHF 250,000 and the UVG maximum salary. The salary agreed in advance with elipsLife for insured persons, who have voluntarily joined the UVG insurance scheme, will be used as the basis for calculating the insured benefits. Where a fixed annual salary has been agreed, this amount is deemed to be the insured earnings.

3.1.3. Multiple employers

If the insured person was concurrently working for more than one employer at the time of the accident, only the income earned from employment with the policyholder will apply.

3.2. Headcount system

The insurance may also be taken out on the basis of a headcount system, where fixed sums and premiums are determined by the number of insured persons or working days.

4. Restrictions on the scope of insurance cover

4.1. Exclusions

The insurance cover excludes the following types of accident:

- a) Accidents occurring prior to commencement of the contract
- b) Accidents resulting either directly or indirectly from armed conflict or civil unrest; this restriction does not apply to incidents resulting directly or indirectly from armed conflict or civil unrest to which the insured person was exposed while travelling outside Switzerland and Liechtenstein, but in which he was not actively involved; in the event that the insured person voluntarily chooses to stay in a crisis area, the following provision applies
- c) Accidents occurring in a region to which the insured person travels despite travel warnings issued by the Swiss Federal Department of Foreign Affairs (FDFA), or which the insured person does not leave within 14 days of such travel warnings being issued (www.eda.admin.ch)
- d) Accidents resulting from earthquakes in Switzerland and Liechtenstein
- e) Accidents resulting from extraordinary hazards, which are deemed to include:
 - Foreign military service
 - Involvement in hostilities, acts of terrorism and gang crime
 - The consequences of all types of civil unrest, unless the insured person is able to prove that he did not take an active part in the unrest or helped instigate the unrest
 - Participating in fights and affrays, unless the insured person was injured by the parties involved as an innocent bystander or in assisting a defenceless person
 - Dangers to which the insured person is exposed due to severe provocation of others by him
- f) Accidents resulting from the intentional or attempted commission of a crime or offence
- g) Accidents caused by ionising radiation and damage from nuclear power sources
- h) Accidents where the insured person has a blood alcohol concentration of 1.8‰ or higher, unless it can be shown that there is no causal link between the state of inebriation and the accident
- i) Accidents resulting from hazardous activities (activities exposing the insured person to an exceptionally high level of risk, where he did not take, or was unable to take, precautionary measures that would reduce the risk to an acceptable level)
- j) Accidents resulting from suicide attempts or self-inflicted injury, which the insured person either carried out deliberately or due to loss of control or diminished responsibility
- k) Accidents resulting from the ingestion or injection of non-prescribed medications, drugs, methadone and other chemical products
- l) Accidents resulting from the medically prescribed dispensation of heroin
- m) Accidents caused by medical or surgical operations that were not required as a result of an insured accident
- n) Accidents occurring during the operation of aircraft as a military pilot or some other type of military crew member or paratrooper
- o) Accidents resulting from military parachute jumps
- p) Accidents occurring while using aircraft where the insured person deliberately violates official rules or does not possess the official licenses or permits required

4.2. Reductions

4.2.1. Gross negligence

elipsLife waives its right to reduce supplementary insurance benefits in respect of accidents caused through gross negligence. The foregoing is without prejudice to the exclusions set forth in clause 4.1.

4.2.2. Multiple insurance

Where there are multiple insurance policies from licensed insurance companies for treatment costs or daily benefits covering loss of earnings, any sums due will only be paid out once overall as a proportion of the aggregate insurance benefits underwritten by all the insurers concerned.

4.2.3. Benefits from third parties

elipsLife shall deduct, in full, from any benefits payable, any compensation or payouts from a liable third party or that party's insurer, UVG, IV or MV insurance, or other insurance companies in respect of treatment costs or daily benefits to cover loss of earnings.

4.2.4. Factors unrelated to the accident

Benefits in respect of treatment costs, daily hospital benefit and daily benefit will not be reduced if the injury or health impairment was only partially caused by an insured accident.

However, death and disability benefits will be reduced if the injury or health impairment is attributable to factors unrelated to the accident. Any reductions will be made on the basis of a medical assessment.

4.2.5. Breach of obligations in the event of a claim

In the event of an intentional or negligent breach of obligations on the part of the insured person, the policyholder or the claimant, elipsLife is entitled to reduce the insurance benefit by the amount by which it would have been reduced if the party concerned had discharged its obligations (see the rights and obligations in the event of a claim set out in clauses 8.1. and 8.2.).

4.2.6. Disparities between actual income and insured earnings

Where there is a clear disparity between the insured earnings and the actual income earned, cash benefits under optional supplementary insurance cover pursuant to Article 4f UVG and Article 4f UVersG may be reduced. This applies, in particular, if the actual income earned in the three years preceding the accident was less than 75 per cent of insured earnings on average. Benefits may be reduced, notwithstanding the aforementioned time period, if the information provided by the policyholder in relation to insurable earnings on taking out the policy was manifestly incorrect.

In these circumstances, any payout of cash benefits will be based on the reduced value of the insured earnings. The reduced insured earnings are equal to the actual income earned, less the value of the insured earnings under voluntary insurance cover pursuant to Article 4f UVG and Article 4f UVersG.

4.3. Death caused by a claimant

A claimant is not entitled to any lump-sum death benefit where the death of the insured person was deliberately caused through the commission of a crime or offence by the claimant, or due to a loss of control or diminished responsibility, whether or not induced through the fault of the claimant. The lump-sum death benefit will be paid out to the other beneficiaries designated in the event of death, as set forth in clause 2.5.

5. Start and end of insurance cover

5.1. Commencement date of insurance cover

Insurance cover for employees will commence on the employment start date specified in the employment contract, but no earlier than the date indicated in the insurance policy as the cover commencement date. Pre-existing injuries or other conditions resulting from an accident on the employment commencement date are not covered.

5.2. End date of insurance cover

The insurance cover generally terminates

- a) in the event that an insured person leaves the insured company (this also applies in the case of unemployment or if special insurance cover has been agreed);
- b) upon termination of the insurance policy;
- c) upon voluntary, unpaid leave or absence from work, with the exception of leave necessitated by illness, accident, maternity, Swiss military service or civil defence service.

If no follow-up cover applies upon termination of employment, the insurance cover will be extended for a period of 30 days (or 31 days for months that have 31 days).

5.3. Transfer to an individual insurance plan

5.3.1. Right of transfer

Any insured person resident in Switzerland or Liechtenstein is entitled to transfer to an individual insurance plan

- a) by withdrawing from the group of collective insurance plan members;
- b) upon termination of the contract.

The insured person shall exercise such right of transfer by giving notice in writing within 30 days of leaving the insured company. The right of transfer solely involves admission to an individual insurance plan without any assessment. The policy will be continued as an individual insurance contract, taking into account the person's individual circumstances, or will otherwise be converted into an independent accident insurance policy. When transferring to an individual insurance plan, benefits will only be covered to the extent that they were previously insured under the collective insurance plan. Any individual accident insurance cover may be limited, both in terms of amount and duration, compared to the benefits available under the collective insurance plan.

Cover will continue on the terms and insurance rates applying to individual insurance plans at the time of transfer. The amount of insured earnings will not be higher than the income currently earned from employment or the level of unemployment (ALV) benefits paid out, subject to the maximum insurable earnings under the individual insurance plan or, for unemployed persons, the level of a simple AHV maximum pension.

5.3.2. No right of transfer

There is no right to transfer

- a) if the insured person takes up employment with another employer and transfers to that employer's insurance scheme;
- b) if the insurance contract expires but is continued for the same group of staff with a different insurer;
- c) during any period in which a provisional cover note applies;
- d) once the insured person has retired, or attains the AHV retirement age, whichever is the earlier;
- e) if the insured person is resident abroad;
- f) if employment is terminated during the probationary period, or in respect of persons employed for less than three months or working under a fixed-term employment contract.

6. Commencement, term and termination of insurance contract

6.1. Date of commencement of the insurance contract

The insurance contract commences on the start date stipulated in the policy. The contract may be taken out at any time during the calendar year.

6.2. Term of the insurance contract

The insurance contract is concluded for the term specified in the insurance policy. The minimum term is one calendar year. At the end of the agreed term, the contract will renew automatically for successive one-year periods, unless one of the parties has duly given notice of termination.

6.3. Termination of the insurance contract

6.3.1. Termination by expiry

Either party may terminate the insurance contract by giving three months' notice in writing to the end of a calendar year. The insurance contract may be terminated no earlier than the expiry date indicated in the insurance policy.

6.3.2. Expiry of insurance contract

The insurance contract expires with immediate effect

- a) if the policyholder discontinues its business;
- b) if the policyholder transfers its headquarters abroad;
- c) if insolvency proceedings are instituted against the policyholder.

6.3.3. Termination due to premium adjustments

In the event of any adjustments to premiums, the policyholder is entitled, within 30 days of notification thereof, to terminate the contract in its entirety, or only in relation to certain benefits for which the premium has increased, on the date on which the adjustments take effect.

6.3.4. Waiver of right of termination in the event of a claim

elipsLife expressly waives its statutory right to terminate the contract in the event of a claim. The foregoing is without prejudice to the right to terminate the contract on the expiry date.

7. Premiums

7.1. Calculation of premiums

7.1.1. Salary system

Premiums are calculated on the following basis:

- a) For insurance cover based on UVG salaries: the salary from which premiums are deducted in respect of UVG insurance, subject to the maximum level prescribed by law
- b) For insurance cover based on salary surpluses: the value of the salary exceeding the maximum level prescribed under the UVG insurance scheme, subject to a maximum salary of CHF 250,000 per person per year
- c) For insured persons with a fixed annual salary: the insured earnings agreed in advance
- d) For insured persons who voluntarily joined the UVG insurance scheme: the salary agreed in advance

7.1.2. Headcount system

Premiums are determined by the number of insured persons or working days.

7.2. Upfront premium

At the start of the insurance year, the policyholder shall pay the provisional premium specified in the insurance policy upfront, which is to be as close as possible to the likely level of the final premium. In the event of a material change in circumstances (e.g. a variation of more than 20 per cent in the pool of persons insured), the upfront premium may be adjusted to take effect at the beginning of the following insurance year.

7.3. Premium statements and right of inspection

At the end of each insurance year or upon termination of the contract, a premium statement will be prepared on the basis of the final salary figures. elipsLife shall issue a form to the policyholder requesting the information required for the purpose of preparing the premium statement. However, if the adjustment is less than CHF 10, the parties agree to waive the additional premium payment or refund of premium.

If the policyholder fails to disclose the information required for the purpose of preparing the premium statement to elipsLife within 30 days of receiving the relevant form, elipsLife is entitled to estimate and set the final premium at its discretion.

elipsLife is entitled to inspect all relevant records (payroll accounts, supporting documents, AHV statements) for the purpose of verifying the information provided by the policyholder. In the event of the policyholder's non-cooperation in determining the final premium, elipsLife is entitled to terminate the contract.

7.4. Payment of premiums and due date

The premiums are payable in advance at the beginning of each calendar year. Any additional premium payment calculated on the basis of the premium statement will be payable within 30 days of elipsLife requesting such amount from the policyholder. Any refund of premium will be paid to the policyholder within the same period once the final amount of premium has been established.

7.5. Payment reminders and consequences of non-payment

If a premium is not paid within 30 days of the due date, elipsLife will send a written notice to the policyholder requiring it to make the payment within 14 days (Switzerland) or four weeks (Liechtenstein) of the date on which the reminder was issued and advising it of the consequences of default. If, notwithstanding the foregoing reminder, the premiums remain unpaid, the insurer's obligation to provide benefits will be suspended from the date on which the additional payment period elapsed. If elipsLife has not taken steps to recover all outstanding premiums within two months of the end of the additional payment period, it may be assumed that elipsLife has rescinded the contract and waived payment of the premiums owed.

7.6. Premium adjustments

elipsLife is entitled to adjust the premium for the following calendar year to reflect any losses sustained. The policyholder will be notified of any adjustments to premiums not less than 30 days prior to the end of the calendar year. The policyholder is entitled to terminate the insurance contract at the end of the current insurance year. Unless notice of termination is given, the premium adjustment is deemed to have been approved.

7.7. Surplus participation

Surplus participation may be agreed. Where a surplus participation has been agreed, the policyholder will be granted a participation in any surplus under the insurance contract on completion of three full insurance years (accounting period). The surplus will be calculated by deducting any benefits paid and set aside from the applicable percentage of premium allotted to the accounting period. The applicable percentage of premium and the surplus participation scheme are described in the insurance policy.

The relevant statement will be issued once the premiums due for the accounting period have been paid and the relevant claims have been settled, or set aside in full. Any losses will not be carried forward to the next accounting period. In the event that accidents are reported, subsequent to issuing the statement, which fall within the relevant accounting period, elipsLife may issue a new statement for the payment or refund of the surplus participation.

If the contract did not continue in effect throughout the agreed accounting period, it will be extended for an appropriate term. The policyholder's right to a surplus participation expires if the contract is terminated prior to the end of the accounting period.

However, any surplus participation will be payable on a pro rata basis if the insurance contract was terminated due to a change of ownership, change of name or merger prior to the applicable evaluation period, provided that the insurance cover is continued with elipsLife.

No surplus participation will be granted in respect of pension benefits.

8. Rights and obligations in the event of a claim

8.1. Obligations in the event of a claim

Where an event is likely to result in a payout of insurance benefits:

- a) The insured person or the policyholder shall inform elipsLife immediately by submitting the form provided. A medical certificate attesting to the degree and the likely duration of the incapacity to work must be submitted to elipsLife at the same time as the report. If such report is submitted late and the delay is not sufficiently substantiated, elipsLife will only grant benefits as of the date it received the report. elipsLife must be informed immediately of any reduction in the degree of incapacity to work. If the incapacity to work is of more than one month's duration, the insured person shall submit a medical certificate attesting to his incapacity to work every four weeks. The occurrence of death must be reported within five days.
- b) Professional medical treatment must be sought as soon as possible. All instructions issued by the doctor must be complied with.
- c) The insured person shall undergo medical examinations by such doctors as are appointed by elipsLife, if requested to do so by elipsLife. elipsLife shall pay the cost of such examinations.
- d) The insured person shall report any unresolved claim for accident (UVG) or disability (IVG) benefits, or compensation for loss of income (EOG) to the relevant office.
- e) elipsLife shall, upon request, agree to cover the costs, within the scope of the benefits insured, in the event that the insured person is admitted to a hospital or rehabilitation clinic. In such event, the request for an agreement to cover costs must be submitted prior to admission to hospital or rehabilitation clinic.

8.2. Mitigation of loss

The insured person shall take all necessary steps to reduce the level of benefits. The insured person shall report any potential entitlement to benefits (pension, retraining, vocational measures) to the disability insurance (IV) scheme. If the insured person refuses to report to the disability insurance (IV) scheme upon being requested to do so by elipsLife, elipsLife may temporarily suspend insurance benefits.

8.3. Duty to provide information

Whenever a claim is submitted to elipsLife, the insured person or the policyholder shall provide all information required for the purpose of assessing the obligation to provide benefits, the level of benefits or the benefit period.

The insured person releases any attending doctors and other medical staff from their obligation of confidentiality in relation to elipsLife. elipsLife may obtain information from other insurers if necessary. The insured person and the policyholder shall automatically supply elipsLife with information regarding any illness, accident or disability benefits paid out by a third party. Upon request, they shall submit statements from such third parties to elipsLife.

The policyholder shall ensure that the insured person also complies with the obligation to provide information. elipsLife may, in all cases, verify the incapacity to work and any uncovered amount of lost earnings and implement appropriate control measures where necessary.

8.4. Payment of insurance benefits and due date

Any sums owed under the insurance contract will be payable no later than four weeks after the date on which elipsLife receives the information, documents and medical certificates required in order to verify the legitimacy and scale of claims. Treatment costs will ordinarily be paid to the insured person, but may also be paid directly to the invoicing party (doctors, hospitals, convalescent homes, etc.). The insured person is entitled to any payout of benefits, with the exception of death benefits, as set forth in the provisions governing death (see clause 2.6.), and subject to the provisions governing payouts to insured persons and the policyholder, as set forth in clauses 8.4.1. and 8.4.2.

The provisions governing payouts to the insured person and the policyholder are based on applicable tax legislation.

8.4.1. Payouts to the insured person

Any daily benefits subject to withholding tax, which are paid out directly to the insured person, will be reduced by the amount of withholding tax due.

8.4.2. Payouts to the policyholder

Daily benefits subject to withholding tax may be transferred to the policyholder in full without any deduction. The policyholder is liable for any loss that may be suffered by elipsLife due to the policyholder's failure to discharge its obligations, including, but not limited to, the obligation to pay withholding tax on time.

8.5. Right of recourse

In the event that elipsLife pays out treatment costs or daily benefits in place of a liable third party, the insured person shall assign its claims to elipsLife to the extent of its obligation to provide benefits to the insured person.

9. Client data and data protection

9.1. Management of client data

elipsLife shall process all data required for the performance of the contract in strict confidence and in accordance with Swiss and Liechtenstein law.

While general data, including address details, dates of birth, etc., are likely to be processed for contract management purposes, health data, in particular, will also be processed for the purpose of reviewing applications and paying out benefits. Such information will be stored and archived by elipsLife either electronically or physically, including data pertaining to contracts that do not take effect or for which the initial premium is not paid.

Once an application is signed or a claim is notified, elipsLife is entitled to process the relevant data and request additional data from third parties (doctors, hospitals, previous insurers, public authorities, etc.). Requesting any such data always necessitates disclosure of personal data to these third parties.

If the policyholder has appointed a broker to manage its interests, elipsLife shall grant the broker access to all relevant data, provided that the client has conferred appropriate authority on the broker.

Otherwise, in the absence of the consent of the affected individual, elipsLife will only disclose data to a possible reinsurer.

9.2. Disclosure of data

Where necessary, elipsLife may outsource certain areas of business, or parts thereof, to third parties, either at home or abroad, for the purposes of managing this product, and transfer to such third parties any data that may be required for the performance of the relevant duties. In this case, your data will also remain protected in accordance with the requirements of data protection legislation.

9.3. Right to information

The policyholder and the insured person are entitled, at any time, to request information on data processed by elipsLife and to prohibit elipsLife from processing all or any such data. The foregoing is without prejudice to any disclosure of information required by law.

10. Concluding provisions

10.1. Set-off

elipsLife is entitled to set off any insurance payouts due against any claims it may have against the policyholder.

10.2. Assignment and pledge of benefits

Claims to insured benefits may not be assigned or pledged prior to final determination without the express consent of elipsLife.

10.3. Geographical scope

For employees seconded abroad, the insurance will apply for a maximum of 72 months from the date of secondment, provided that such persons also have accident insurance cover (UVG).

10.4. Notices

All notices must be sent to elipsLife, Thurgauerstrasse 54, PO Box, 8050 Zurich. Any notices from elipsLife are deemed to have been duly given if sent to the address in Switzerland or Liechtenstein last notified by the policyholder.

10.5. Place of jurisdiction

elipsLife recognises Triesen, or the Swiss or Liechtenstein registered office or place of residence of the policyholder or insurance claimant, as the place of jurisdiction.

10.6. Limitation period

Any right to claim benefits from elipsLife on the part of the policyholder will become time-barred two years after the occurrence of the event that triggered the obligation to provide benefits.

10.7. Policyholder's obligation to provide information

The policyholder shall inform insured persons of the main terms of this contract, any amendments thereto, or the termination thereof.

10.8. Binding language

Please note that this wording is only a translation of the German original. In the event of any inconsistency or ambiguities in the meaning of any word or phrase in this translated version, the German version will prevail.